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Tom Munsen
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

May 8, 1998

Re: Interim Reclamation surety for Mine Site Disturbances, Gemstone Mining Inc. (GMI), Red Beryl Projects, S/001/011 and S/001/012, Beaver County, Utah

Dear Tom:

Further to your conversation with Dennis Coutts today, and also Mr. Coutts' conversation with Ed Genovese at the BLM, it is my understanding that GMI has until May 31, 1998 to produce an interim bond for \$37,500.

Thank you for all your patience and support.

Best regards,

Lisa Zumpano

**CC**: Dennis Coutts

